

RESOLUTION GRANTING THIRD ROUND SUBSTANTIVE CERTIFICATION #32-09

Palmyra Borough, Burlington County

WHEREAS, Palmyra Borough, Burlington County, petitioned the Council on Affordable Housing (COAH) on December 30, 2008 for substantive certification of a Housing Element and Fair Share Plan addressing its total 1987-2018 affordable housing obligation; and

WHEREAS, pursuant to N.J.S.A. 52:27D-313 and N.J.A.C. 5:96-3.5, Palmyra Borough published notice of its petition on February 25, 2009 in the Burlington County Times, which is a newspaper of general circulation within the county; and

WHEREAS, no objections to the plan were received by COAH during the 45-day objection period, which ended May 12, 2009; and

WHEREAS, Palmyra Borough's fair share plan addresses a total 1987-2018 affordable housing obligation of 239 units, consisting of a 20-unit rehabilitation share, a 39-unit prior round obligation and an adjusted, projected growth share obligation of 180 units; and

WHEREAS, COAH staff has reviewed the Borough's Housing Element and Fair Share Plan; and

WHEREAS, Palmyra Borough proposes to address part of its 20-unit rehabilitation share with seven rehabilitation credits; and

WHEREAS, Palmyra proposes to address the remaining 13 units of the rehabilitation share through a municipal rehabilitation program utilizing Small Cities Grants and other funds; and

WHEREAS, the Borough proposes to address part of its 39-unit prior round obligation with 19 prior cycle credits; and

WHEREAS, Palmyra had planned to address the remaining 20 units of its prior round obligation with 15 family rental units and five rental bonuses from the planned Route 73 South Redevelopment Area; and

WHEREAS, Palmyra had planned to address its adjusted 180-unit growth share obligation with 135 family rental units and 35 rental bonuses from the planned Route 73 South Redevelopment Area; and

WHEREAS, pursuant to N.J.A.C. 5:96-6.2(a)2, on May 27, 2009 COAH issued a Compliance Report (attached as Exhibit A and incorporated by reference herein) recommending approval of Palmyra Borough's petition for third round substantive certification; and

WHEREAS, there was a 14-day period to submit comments to the COAH Compliance Report pursuant to N.J.A.C. 5:96-6.2(b) and COAH received no comments; and

WHEREAS, during the 14-day comment period, COAH received a telephone call from the designated redeveloper (iPark@Palmyra, LLC) indicating that there was no agreement on the number and tenure of affordable residential units in the redevelopment area; and

WHEREAS, on June 9, 2009, the Borough Administrator wrote to COAH requesting that the petition for certification be removed from June's Board agenda and rescheduled for the following month in order to give the Borough additional time to address unforeseen issues; and

WHEREAS, on June 25, 2009, COAH issued a Report Requesting Additional Information (RRAI) directing the Borough to provide a developer's agreement specifically demonstrating how Palmyra will address their total obligation, including the rental component or, in the alternative, re-petition with a new plan within 60 days; and

WHEREAS, the deadline for responding to the RRAI or re-petitioning was August 24, 2009; and

WHEREAS, in a letter dated August 20, 2009 and co-signed by the Mayor and the redeveloper, Palmyra Borough informed COAH that it would address its prior round and growth share obligation as follows: 10 affordable sale units, five affordable rentals and five rental bonuses to address the remaining 20 units of the 39-unit prior round obligation and 91 affordable sale units, 45 affordable rentals and 44 redevelopment bonuses pursuant to N.J.A.C. 5:97-3.19 to address the entire, adjusted 180-unit growth share obligation; and

WHEREAS, on August 21, 2009 COAH issued an Addendum to the Palmyra Compliance Report (attached as Exhibit B and incorporated by reference herein) recommending

approval of Palmyra Borough's petition for third round substantive certification with the changes specified in the Borough's August 20, 2009 letter; and

WHEREAS, there was a 14-day period to submit comments to the COAH Compliance Report pursuant to N.J.A.C. 5:96-6.2(b) and COAH received no comments during this timeframe; and

NOW THEREFORE BE IT RESOLVED that the Housing Element and Fair Share Plan submitted by Palmyra Borough as revised by the Borough's letter dated August 20, 2009, comports to the standards set forth at N.J.S.A. 52:27D-314 and meets the criteria for third round substantive certification pursuant to N.J.A.C. 5:96-6.3; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.2(a), after having reviewed and considered all of the above, COAH hereby grants third round substantive certification to Palmyra Borough; and

BE IT FURTHER RESOLVED that after receiving final substantive certification, pursuant to N.J.A.C. 5:96-6.3(e), Palmyra Borough shall adopt all implementing Fair Share Ordinances within 45 days of this grant of substantive certification; and

BE IT FURTHER RESOLVED that if Palmyra Borough fails to timely adopt its Fair Share Ordinances, COAH's grant of substantive certification shall be void and of no force and effect; and

BE IT FURTHER RESOLVED that Palmyra shall submit all Fair Share Ordinances to COAH upon adoption; and

BE IT FURTHER RESOLVED that Palmyra shall comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting Palmyra's actual growth pursuant to N.J.A.C. 5:97-2.5; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-10.1, COAH shall conduct biennial plan evaluations upon substantive certification of Palmyra's Housing Element and Fair Share Plan to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the municipality and to determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing; and

BE IT FURTHER RESOLVED that if upon any biennial review the difference between the number of affordable units constructed or provided in Palmyra and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a pro-rated production shortage of 10 percent or greater, or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, the Council may direct the municipality to amend its plan to address the shortfall; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(b), Palmyra's substantive certification shall remain in effect until December 30, 2018; and

BE IT FURTHER RESOLVED that any changes to the facts upon which this substantive certification is based or any deviations from the terms and conditions of this substantive certification which affect the ability of Palmyra Borough to provide for the realistic opportunity of its fair share of low and moderate income housing and which the Borough fails to remedy, may render this certification null and void.

I hereby certify that this resolution was
duly adopted by the Council on Affordable
Housing at its public meeting on September 9, 2009

A handwritten signature in black ink, reading "René Reiss". The signature is fluid and cursive, with the first name "René" and last name "Reiss" clearly distinguishable.

René Reiss, Secretary
Council on Affordable Housing



***Council on Affordable Housing
Compliance Report
May 27, 2009***



Palmyra: Palmyra Borough
County: Burlington County

COAH Region: # 5
Planning Area: PA 1
Special Resource Area: N/A

Housing Element and Fair Share Plan Adopted: November 17, 2008
Petition for 3rd Round Substantive Certification: December 30, 2008
Completeness Determination: February 23, 2009
Date of Publication: February 25, 2009

Objections Received: No

Petition Includes:

VLA: No
GPA: No
Waiver: No **Section:** N/A

Date of Site Visit: June 4, 2009

History of Approvals:

| | COAH | JOC | N/A |
|--------------------------------|-------------|------------|------------|
| First Round: | | | X |
| Second Round: | | | X |
| Extended Certification: | | | X |

Plan Preparer: David Gerkens, PP/AICP

Municipal Housing Liaison: Karen Gift

Recommendation: Grant substantive certification

SUMMARY OF FAIR SHARE OBLIGATION

| | |
|--|-----|
| Rehabilitation Share | 20 |
| Prior Round Obligation | 39 |
| Projected Growth Share Obligation (Adjusted) | 180 |

ACTUAL GROWTH and GROWTH SHARE through September, 2008¹

| Res Units (#) | Actual Res Growth Share | Jobs (#) | Actual Non-Res Growth Share | Actual TOTAL Growth Share |
|---------------|-------------------------|----------|-----------------------------|---------------------------|
| 8 | 2 units | 35 | 2 units | 4 units |

COMPLIANCE PLAN SUMMARY

| Obligation | Credit/ Mechanism Type | # Units Completed | # Units Proposed | TOTAL |
|---------------------------------|---------------------------|----------------------|---------------------|------------|
| Rehabilitation: 20 units | | | | |
| Credits | Post-April 1, 2000 | 7 | | 7 |
| Program | County/Municipal | | 13 | 13 |
| Rehabilitation Subtotal | | | | 20 |
| NEW CONSTRUCTION: | | | | |
| Prior Round: 39 units | | | | |
| Prior Cycle Credits | Credits without controls | 19 | | 19 |
| Proposed Mechanism | Redevelopment | | 15 | 15 |
| Prior Round Bonuses | Rental | | 5 | 5 |
| Prior Round Subtotal | | | | 39 |
| Growth Share: 180 units | | | | |
| Proposed Mechanism | Redevelopment | | 135 | 135 |
| Growth Share Bonuses | Rental | | 45 | 45 |
| Growth Share Subtotal | | | | 180 |

¹ This growth share number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.4; therefore, the actual growth share may vary.

I. HOUSING ELEMENT

Pursuant to N.J.S.A. 40:55D-28(b), the Housing Element is a required section of the Municipal Master Plan. The Housing Element must be designed to achieve the goal of access to affordable housing to meet existing and future housing needs, with special attention given to low- and moderate-income households. The housing needs analysis must include demographic information on existing and projected housing stock and employment characteristics, a quantification of low- and moderate-income housing need, and a consideration of the lands within the Borough that are most appropriate to accommodate such housing. Palmyra's Housing Element includes sufficient information regarding housing stock, demographic and employment characteristics and population trends pursuant to N.J.S.A. 52:27D-310.

Under N.J.A.C. 5:97-2.1(b), the Housing Element must also set forth the Borough's affordable housing fair share obligation, which is the sum of the rehabilitation share, the prior round obligation and the growth share.

A. Rehabilitation Share

The rehabilitation share is the number of existing housing units within a Municipality as of April 1, 2000, that are both deficient and occupied by households of low or moderate income. As indicated in Appendix B of N.J.A.C. 5:97, Palmyra has a rehabilitation share of 20 units.

B. Prior Round Obligation

The prior round obligation is the cumulative 1987-1999 new construction obligation provided in Appendix C of N.J.A.C. 5:97. Palmyra has a prior round obligation of 39.

C. Projected Growth Share

The projected growth share is initially calculated based on household (residential) and employment (non-residential) growth projections for 2004 through 2018. Pursuant to

Appendix F of N.J.A.C. 5:97, Palmyra has a residential growth projection of 288 units and a non-residential growth projection of 214 jobs. However, N.J.A.C. 5:97-2.3 permits municipalities to rely on an alternate municipal growth projection, provided this projection exceeds the growth projections published by COAH.

Palmyra included the required Workbook B with its petition for certification (attached as Appendix A) which results in an initial projected growth based on actual growth to date and anticipated future growth. After subtracting the allowable exclusions for sites addressing the prior round obligation, Palmyra's growth share projection is increased from 71 units to 180 units. Upon review of the municipal alternate growth projection, COAH has determined that it satisfies the requirements of N.J.A.C. 5:97-2.3 and warrants an adjustment to the growth projection published by COAH. Therefore, Palmyra's total projected growth share for the period 1999-2018 is 180 affordable units consisting of a 101.6-unit projected residential growth share and a 78.8-unit projected non-residential growth share.

SUMMARY OF FAIR SHARE OBLIGATION

| | |
|--|-----|
| Rehabilitation Share | 20 |
| Prior Round Obligation | 39 |
| Projected Growth Share Obligation (Adjusted) | 180 |

II. FAIR SHARE PLAN

A Fair Share Plan, as required under N.J.A.C. 5:97-3.1, describes the completed or proposed mechanisms and funding sources, if applicable, that will be utilized to specifically address a municipality's rehabilitation share, prior round obligation, and growth share obligation and includes the draft ordinances necessary to implement that plan. A municipality must provide affordable housing in direct proportion to the growth share obligation generated by the actual growth.

Palmyra Fair Share Plan and the supporting documentation incorporated by reference therein addressed the requirements of N.J.A.C. 5:97-3.1 as follows:

A. Plan to Address Rehabilitation Share

Rehabilitation Share Credits

Palmyra is requesting credit for seven units rehabilitated subsequent to April 1, 2000. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

Rehabilitation Credits

| Rehabilitation Program | # Credits |
|--------------------------------|------------------|
| Palmyra Rehabilitation Program | 7 |
| TOTAL | 7 |

Proposed Rehabilitation Program

Rehabilitation Program

Palmyra will continue its existing rehabilitation program to address the remaining 13 units of its rehabilitation obligation. The Borough has been administering a rehabilitation program for over five years utilizing Small Cities, RCA and Neighborhood Preservation Program (NPP) funding. Since RCA monies may not be used to address the Borough's rehabilitation share, Palmyra proposes to apply for additional Small Cities funding in 2009 for seven additional units and in 2012 for the remaining six units. The Borough also passed a resolution of intent to bond on December 1, 2008 to fund any shortfall in the program. The program is available for owner-occupied and renter-occupied units. The schedule submitted by Palmyra complies with N.J.A.C. 5:97-6.2(b)3. COAH has furnished Palmyra with a model rehabilitation manual. The Borough must adopt this manual or an alternative manual containing equivalent elements and submit this to COAH for review. Palmyra Borough proposes to complete seven rehabilitation units by December 2011 and an additional six units by December 2014.

Proposed Rehabilitation Program

| Rehabilitation Program | # Units |
|--------------------------------|-----------|
| Palmyra Rehabilitation Program | 13 |
| TOTAL | 13 |

B. Plan to Address Prior Round Obligation

Prior Round Obligation Credits

Palmyra is addressing a portion of the prior round obligation with prior cycle credits. The Borough's plan claims 21 prior cycle credits. COAH's calculation of eligible prior cycle credits, however, as cited in an October 19, 2005 Report Requesting Additional Information, specifies that Palmyra is eligible for 19 credits without controls. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

Prior Cycle Credits

| Project/Development Name | Year Built | Type of Affordable Unit | # Units/ Bedrooms |
|--------------------------|------------|-------------------------|-------------------|
| Credits without Controls | 1980-1986 | N/A | 19 |
| TOTALS | | | 19 |

Proposed Affordable Housing Mechanisms

As a result of the correction to the number of eligible prior cycle credits, Palmyra has a remaining 20-unit prior round obligation. The Borough proposes to address the remaining obligation through the following mechanisms:

Route 73 South Redevelopment

Palmyra will utilize a redevelopment plan/inclusionary zoning and five rental bonuses associated with the proposed Route 73 South Redevelopment Area to address the

remaining 20 units of its prior round obligation. The Route 73 South Redevelopment Area is a 197-acre brownfield site west of Route 73. The site is in State Planning Area 1 (Metropolitan) and consists of numerous blocks and lots. The property is located in a sewer service area and the redevelopment plan provides that sewer and water will be extended to service the area with private sector funding. The Borough is currently addressing environmental contamination at the site and has submitted its Remedial Action Workplan to the NJDEP. The Fair Share Plan notes that one phase of the cleanup effort discovered nearly 100 pieces of unexploded ordnance dating back to its use as a classified weapons testing facility around the time of World War II. It is anticipated that the site will produce a total of 500 units, including at least 355 market-rate units and 145 affordable rental units as well as an estimated 750,000 square feet of non-residential development.

Palmyra has submitted an implementation schedule for the redevelopment area. The Borough adopted a resolution designating the redevelopment area as well as a redevelopment plan in 2001 and has submitted these documents to COAH. On March 2, 2009, the Borough signed a redevelopment agreement with iPark Palmyra LLC, which company will carry out the redevelopment plan. Occupancy is anticipated for 2015. All documents associated with the steps in the implementation schedule must be submitted to COAH no later than two years prior to the scheduled implementation of the mechanism.

Palmyra originally proposed to apply 10 of the family rental units and ten rental bonuses associated with those units to the prior round obligation. According to the formula for prior round bonuses, however, the Borough may claim a maximum of five rental bonuses for the prior round obligation. As a result, COAH staff has assigned 15 family rental units and the maximum five rental bonuses associated with those units to satisfy the remaining 20-unit prior round obligation. Section 2.10 (COAH Housing Obligation) of the redevelopment agreement specifically provides that the Redeveloper “shall satisfy the outstanding First and Second Round COAH obligation...on behalf of the Borough.”

Proposed Prior Round Affordable Housing Mechanisms

| Type/Name of Affordable Housing Mechanism | Type of Affordable Unit | # Units/Bedrooms | Bonus Type | # Bonuses | Total Units/Bedrooms + Bonuses |
|---|-------------------------|------------------|------------|-----------|--------------------------------|
| Rte 73 South Redevelopment | Family rental | 15 | Rental | 5 | 20 |
| TOTALS | | 15 | | 5 | 20 |

Prior Round Obligation Parameters

Palmyra has satisfied the applicable Prior Round parameters as follows:

Prior Round Rental Obligation:² 5 Units

| Development/Project Name | Type of Affordable Unit | # Units |
|----------------------------|-------------------------|-----------|
| Rte 73 South Redevelopment | Family rental | 10 |
| TOTAL | | 10 |

Prior Round Rental Bonus Maximum³ : 5 Units

| Development/Project Name | Type of Bonus | # Bonuses |
|----------------------------|---------------|-----------|
| Rte 73 South Redevelopment | Rental | 5 |
| TOTAL | | 5 |

² Rental Obligation: $.25(\text{Prior Round Obligation} - \text{Prior Cycle Credits} - \text{Impact of 20 percent cap} - \text{Impact of 1,000-unit limitation}) = .25(39 - 21 - 0 - 0) = 4.5$ N.J.A.C. 5:97-3.10(b)1

³ No rental bonuses shall be granted for rental units in excess of the prior round rental obligation, therefore, PR Rental Bonus Maximum = PR Rental Obligation N.J.A.C. 5:97-3.5

C. Plan to Address Projected Growth Share

Growth Share Obligation Credits

Palmyra's Fair Share Plan does not include any growth share obligation credits.

Proposed Affordable Housing Mechanisms

Palmyra proposes to address its 180-unit growth share obligation through the following mechanisms:

Route 73 South Redevelopment

Palmyra will utilize the Route 73 South Redevelopment Area units and rental bonuses to address its 180-unit projected growth share obligation. The Rte 73 South Redevelopment Plan is discussed in the prior round section. The Redeveloper's Agreement (Section 2.10) states that the Redeveloper shall satisfy the COAH obligation which arises as a result of the construction of the project at no cost to the Borough. Fulfilling this obligation is a condition of any site plan approval that the Land Use Board may grant. Fulfilling the rental component of the plan will be essential to the Borough's qualifying for the number of rental bonuses in order for the Borough to address its full third round adjusted affordable housing obligation.

Proposed Growth Share Affordable Housing Mechanisms

| Type/Name of Affordable Housing Mechanism | Type of Affordable Unit | # Units/Bedrooms | Bonus Type | # Bonuses | Total Units/Bedrooms + Bonuses |
|---|-------------------------|------------------|------------|-----------|--------------------------------|
| Rte 73 South Redevelopment | Family rental | 135 | Rental | 45 | 180 |
| TOTALS | | 135 | | 45 | 180 |

Growth Share Parameters

Palmyra has satisfied the applicable Growth Share parameters as follows:

Growth Share Rental Obligation:⁴ 45 Units

| Development/Project Name | Type of Affordable Unit | # Units |
|------------------------------|-------------------------|------------|
| Route 73 South Redevelopment | Family rental | 135 |
| TOTAL | | 135 |

Growth Share Family Rental Requirement⁵ : 23 Units

| Development/Project Name | Type of Affordable Unit | # Units |
|------------------------------|-------------------------|------------|
| Route 73 South Redevelopment | Family rental | 135 |
| TOTAL | | 135 |

Growth Share Minimum Family Requirement⁶ : 68 Units

| Development/Project Name | Type of Affordable Unit | # Units |
|------------------------------|-------------------------|------------|
| Route 73 South Redevelopment | Family rental | 135 |
| TOTAL | | 135 |

Very Low Income Minimum Requirement⁷ : 18 Units

| Development/Project Name | Type of Affordable Unit | # Units |
|------------------------------|-------------------------|-----------|
| Route 73 South Redevelopment | Family rental | 23 |
| TOTAL | | 23 |

⁴ Projected Growth Share Rental Obligation: $.25(\text{Projected Growth Share})$ or $.25(180)=45$ units N.J.A.C. 5:97-3.10(b)3

⁵ Projected Growth Share Family Rental Requirement: $.5(\text{Projected Growth Share Rental Requirement})$ or $.5(45)=23$ units N.J.A.C. 5:97-3.4(b)

⁶ Projected Growth Share Family Requirement: $.5(\text{Units Addressing the Growth Share Obligation})$ or $.5(135)=67.5$ units N.J.A.C. 5:97-3.9

⁷ Growth Share Very Low Income Requirement: $.13(\text{units addressing the growth share})$ or $.13(135)=17.55$ units pursuant to P.L.2008, c.46

Bonus Maximum⁸: 45 Bonuses

| Development/Project Name | Type of Bonus | # Bonuses |
|------------------------------|---------------|-----------|
| Route 73 South Redevelopment | Family rental | 45 |
| TOTAL | | 45 |

Actual Growth Share Obligation

The actual growth share obligation will be based on permanent certificates of occupancy issued within a municipality for market-rate residential units and newly constructed or expanded non-residential developments in accordance with Appendix D of N.J.A.C. 5:97. At plan evaluation review pursuant to N.J.A.C. 5:96-10, COAH will compare the actual growth share obligation with the actual number of affordable units constructed.

The New Jersey Department of Community Affairs (NJ DCA) *Construction Reporter* indicates that between January 1, 2004 and September 2008, Palmyra issued certificates of occupancy for eight housing units and for the non-residential square footage equivalent of 35 jobs, yielding an actual growth share obligation through September 30, 2008 of four affordable units.⁹

⁸ Projected Bonus Maximum: $.25(\text{Projected Growth Share})$ or $.25(180)=45$ units N.J.A.C. 5:97-3.20

⁹ The number of residential COs (8) is initially divided by 5 to yield 2 units and the number of jobs (35) is initially divided by 16 to yield 2 units. Palmyra's total actual growth share is therefore four units (*res 2 + non-res 2*). **Note:** This number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.4; therefore, the actual growth share may vary.

D. Summary of Plan to Address Fair Share Obligation

REHABILITATION SHARE SUMMARY

Rehabilitation Share: 20 Units

| Program Name | # Units |
|---------------------|----------------|
| Credits | 7 |
| Municipal Program | 13 |
| TOTAL | 20 |

PRIOR ROUND SUMMARY

Prior Round Obligation: 39 Units

| | Name of Mechanism | # Units/ Bedrooms | Bonus Type | # Bonuses | Total Units/Bedrooms + Bonuses |
|----------------------------|----------------------------|--------------------------|-------------------|------------------|---------------------------------------|
| Prior Cycle Credits | Credits without Controls | 19 | | | 19 |
| Proposed Mechanism | Rte 73 South Redevelopment | 15 | Rental | 5 | 20 |
| Subtotal | | 34 | | 5 | |
| TOTAL | | | | | 39 |

GROWTH SHARE SUMMARY

Projected Growth Share Obligation: 180 Units

| | Name of Mechanism | # Units/ Bedrooms | Bonus Type | # Bonuses | Total Units/Bedrooms + Bonuses |
|----------------------------|----------------------------|--------------------------|-------------------|------------------|---------------------------------------|
| Proposed Mechanisms | Rte 73 South Redevelopment | 135 | Rental | 45 | 180 |
| Subtotal | | 135 | | 45 | |
| TOTAL | | | | | 180 |

III. FAIR SHARE DOCUMENT REVIEW

A. Development Fee Ordinance

Palmyra submitted a draft development fee ordinance for COAH's review and approval with its third round petition. COAH approved the development fee ordinance on March 25, 2009.

B. Third Round Spending Plan

Palmyra submitted a third round spending plan for COAH's review and approval with its third round petition. The spending plan will be reviewed by COAH in a separate report.

C. Affordable Housing Ordinance/Affordable Housing Administration

Palmyra has submitted a draft affordable housing ordinance that comports with the requirements of the Uniform Housing Affordability Controls (UHAC), N.J.A.C. 5:80-26.1 *et seq.*, which was amended on December 20, 2004. The draft proposed ordinance includes compliance with the barrier free subcode of the State Uniform Construction Code Act (N.J.S.A. 52:27D-119 *et seq.*) and the accessibility requirements of N.J.S.A. 52:27D-123.15. The draft ordinance must be adopted within 45 days of COAH's grant of substantive certification and submitted to COAH immediately upon adoption.

On August 14, 2006, the Borough adopted an ordinance establishing the position of a municipal housing liaison. On September 11, 2006, the Borough passed a resolution appointing a municipal housing liaison.

Palmyra is responsible for the continued re-sale and re-rental of existing affordable units and the initial sale and rental of newly constructed affordable units within the Borough. Prior to marketing the units in the redevelopment area, the Borough must identify an experienced administrative entity for that purpose by contract, agreement or letter.

D. Affirmative Marketing Plan

Prior to marketing the units in the Route 73 South Redevelopment Area, Palmyra must submit an affirmative marketing plan that comports with the requirements of the

UHAC and ensures that the units in that Project Area will be affirmatively marketed to the region upon initial sale/rental and re-sale/re-rental.

IV. MONITORING

Palmyra must comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting the Borough's actual growth pursuant to N.J.A.C. 5:97-2.5. Pursuant to N.J.A.C. 5:96-10.1, COAH will conduct biennial plan evaluations upon substantive certification of Palmyra's Housing Element and Fair Share Plan. The purpose of the plan evaluation is to verify that the construction or provision of affordable in the Borough and to determine that the mechanisms addressing the projected growth share housing has been in proportion to the actual residential growth and employment growth obligation continue to present a realistic opportunity for the creation of affordable housing. If upon any biennial review the difference between the number of affordable units constructed or provided in Palmyra and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a pro-rated production shortage of 10 percent or greater, if Palmyra is not adhering to its implementation schedule pursuant to N.J.A.C. 5:97-3.2(a)4, or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, the Council may direct the Borough to amend its plan to address the shortfall.

V. RECOMMENDATION

COAH staff recommends that Palmyra be granted third round substantive certification. Palmyra must adopt all necessary implementing ordinances within 45 days of the grant of substantive certification and submit certified copies of the adopted ordinances to COAH within seven days of the adoption.



**NEW JERSEY COUNCIL ON AFFORDABLE HOUSING
ADDENDUM TO 5/27/2009 COMPLIANCE REPORT
PALMYRA BOROUGH/BURLINGTON COUNTY**



Palmyra Borough, Burlington County petitioned COAH for third round substantive certification on December 30, 2008. On May 27, 2009, COAH issued a compliance report recommending that the Council grant Palmyra substantive certification of its third round Housing Element and Fair Share Plan.

The plan summarized in the May 27, 2009 report addresses the Borough's total 239-unit fair share obligation as follows: 19 prior cycle credits, 15 rental units and five rental bonuses at the Route 73 South Redevelopment Area to address the 39-unit prior round obligation; seven post-April 1, 2000 rehabilitation credits and a county/municipal program for 13 rehabilitation units to address the 20-unit rehabilitation obligation; and 135 family rental units and 45 rental bonuses at the Route 73 South Redevelopment Area to address the municipally-adjusted 180-unit growth share obligation. These components addressed correctly the requirements for the various COAH rounds.

Subsequent to the issuance of the compliance report, the redeveloper and the Borough contacted COAH with the intent of changing elements of the residential component of the Route 73 South Redevelopment Area plan. The Borough did not submit definitive revisions, however, and instead requested an additional three months to develop an amended proposal for the redevelopment area. On June 25, 2009, COAH issued a Report Requesting Additional Information (RRAI), which RRAI indicated the information that must be forwarded to COAH within 60 days of receipt of that report pursuant to N.J.A.C. 5:96-6.2(c), or by August 24, 2009.

On August 21, 2009, Palmyra Borough submitted to COAH a letter signed by the mayor and the redeveloper stating how the revised Redevelopment Plan will address the remaining prior round and growth share obligations. The Borough proposes 10 affordable sale units, five affordable rentals and five rental bonuses to address the remaining 20 units of the 39-unit prior round obligation. The Borough proposes 91 affordable sale units, 45 affordable rentals and 44 redevelopment bonuses pursuant to N.J.A.C. 5:97-3.19 to address the entire, adjusted 180-unit growth share obligation. These changes satisfy the rental obligations and other relevant parameters for the respective COAH rounds.

A revised compliance plan summary and summary of the Plan to address the three components of the fair share obligation follow.

COMPLIANCE PLAN SUMMARY

| Obligation | Credit/ Mechanism Type | # Units Completed | # Units Proposed | TOTAL |
|---------------------------------|-----------------------------------|--------------------------|-------------------------|--------------|
| Rehabilitation: 20 units | | | | |
| Credits | Post-April 1, 2000 | 7 | | 7 |
| Program | County/Municipal | | 13 | 13 |
| Rehabilitation Subtotal | | | | 20 |
| NEW CONSTRUCTION: | | | | |
| Prior Round: 39 units | | | | |
| Prior Cycle Credits | Credits without controls | 19 | | 19 |
| Proposed Mechanism | Redevelopment | | 15 | 15 |
| Prior Round Bonuses | Rental Bonus | | 5 | 5 |
| Prior Round Subtotal | | | | 39 |
| Growth Share: 180 units | | | | |
| Proposed Mechanism | Redevelopment | | 136 | 136 |
| Growth Share Bonuses | Redevelopment | | 44 | 44 |
| Growth Share Subtotal | | | | 180 |

SUMMARY OF PLAN TO ADDRESS FAIR SHARE OBLIGATION

REHABILITATION SHARE SUMMARY

Rehabilitation Share: 20 Units

| Program Name | # Units |
|---------------------|----------------|
| Credits | 7 |
| Municipal Program | 13 |
| TOTAL | 20 |

PRIOR ROUND SUMMARY
Prior Round Obligation: 39 Units

| | Name of Mechanism | # Units/ Bedrooms | Bonus Type | # Bonuses | Total Units/Bedrooms + Bonuses |
|----------------------------|---|--------------------------|-------------------|------------------|---------------------------------------|
| Prior Cycle Credits | Credits without Controls | 19 | | | 19 |
| Proposed Mechanisms | Rte 73 South Redevelopment—sale units | 10 | | | 10 |
| | Rte 73 South Redevelopment—rental units | 5 | Rental | 5 | 10 |
| Subtotal | | 34 | | 5 | 39 |
| TOTAL | | | | | 39 |

GROWTH SHARE SUMMARY
Projected Growth Share Obligation: 180 Units

| | Name of Mechanism | # Units/ Bedrooms | Bonus Type | # Bonuses | Total Units/Bedrooms + Bonuses |
|----------------------------|---|--------------------------|-------------------|------------------|---------------------------------------|
| Proposed Mechanisms | Rte 73 South Redevelopment—sale units | 91 | Redevelopment | 30 | 121 |
| | Rte 73 South Redevelopment—rental units | 45 | Redevelopment | 14 | 59 |
| TOTAL | | | | | 180 |